

Rand sways U.S. policy

By MIKE MILLER
Scripps-Howard Staff Writer

The Rand Corp., center of the government's probe to find out how top secret Vietnam war papers were leaked to newspapers, has wielded significant influence in the shaping of U.S. military policy over the past 20 years.

Rand is by far the best known of the so-called "think tanks" performing secret outside research for the Defense Department under special contracts.

So renowned is Rand in this role that Russian propagandists have labeled it the "shadow government" of the United States and the "American academy of death and destruction."

HAD COPY OF PAPERS

Rand, however, has no laboratories and neither designs nor produces any weapons. Nor are its studies uniformly favorable to U.S. military policies and procedures. The firm engages in long-range research and analysis of broad, defense-related subjects.

Former Rand employe Daniel Ellsberg rather than the "think tank" itself is suspected of leaking the Vietnam papers.

Of Rand's annual operating budget of about \$26 million, 70 per cent to 75 per cent is derived from contracts with the Defense Department, the military services and related agen-

cies dealing with national security matters. The rest of Rand's work is about evenly divided between research for non-defense federal agencies and projects for state and local governments.

NEW YORK IS CLIENT

New York Mayor, John Lindsay has hired Rand to help solve the city's complex municipal problems. Rand also is under contract to the New York and American stock exchanges to develop new trading systems to solve the paperwork logjam in brokerage houses.

But Rand's military research remains paramount despite moves to expand its social and economic studies over the past several years. The Air Force is Rand's biggest client, accounting for about 43 per cent of the firm's work.

The Air Force is paying Rand \$11 million this fiscal year to carry on about 100 studies and plans to spend about the same amount with Rand in the fiscal year beginning July 1.

Rand has 1,000 employes in Santa Monica and 80 in its Washington office. Many of the Washington-based employes go to the Pentagon daily on their research assignments.

Rand has carried out numerous studies for the military in South Vietnam.

Much of Rand's military work is classified and gives the firm access to classified Pentagon documents like the Vietnam war study. The company, however, is charged with safeguarding them.

TACTICAL INFLUENCE

In the early 1950s, Rand studies convinced the Air Force that its overseas Strategic Air Command bomber bases were highly vulnerable to a Russian attack. This led to dismantling of the bases and withdrawal of the bombers to the United States—at a savings of \$1 billion.

Rand also helped convince the government it had developed nuclear warheads so small and efficient that they could be carried aboard rockets. This led to eventual construction of the Minuteman intercontinental ballistic missile force, today's backbone of U.S. strategic power.

Former Defense Secretary Robert McNamara once said the services performed by Rand for the Air Force were worth 10 times what the Air Force paid for them.